

Resolution Number TC-16-8-6

A resolution of the Colorado State Transportation Commission declaring the official intent of the Colorado Department of Transportation to reimburse itself from the proceeds of a future lease purchase financing for capital expenditures and providing certain other matters in connection therewith

Approved by the Transportation Commission on Aug. 18, 2016.

WHEREAS, the Colorado Department of Transportation (“CDOT”) is an executive department of the State of Colorado; and

WHEREAS, the Colorado State Transportation Commission (the “Commission”) is the governing body of CDOT; and

WHEREAS, CDOT presently intends to acquire, renovate and construct certain properties to house CDOT operations (the “Project”), including but not limited to facilities in Denver, Colorado; and

WHEREAS, June 18, 2015, the Transportation Commission approved resolution #15-6-8 to authorize staff to expend \$2,000,000 (in aggregate, including the initial design amount) to fund design through the Design Development phase, provide earnest money in an effort to secure potential site location(s) for the Project and establish the Project GMP; and

WHEREAS, CDOT has successfully negotiated a Purchase and Sale Contract for approximately three acres of Project Property located at the northeast corner of Federal Blvd and Howard Place; and

WHEREAS, the contracted purchase price for the Project Property is \$5,999,999; and

WHEREAS, CDOT currently intends and reasonably expects to participate in a lease purchase financing to finance the Project, including an amount of approximately \$83,400,000 (the “Reimbursement Amount”) for reimbursing CDOT for capital expenditures made by CDOT for the Project prior to the date when funds for the Project are available from such financing; and

WHEREAS, the initial expenditure of funds of CDOT for the Project, other than preliminary expenditures, as such term is defined in 26

C.F.R. § 1.150-2(f)(2) (“Preliminary Expenditures”), occurred on a date that is within 60 days prior to the date hereof; and

WHEREAS, such lease purchase financing is to occur within 18 months of either the date that CDOT first expended funds other than Preliminary Expenditures for the Project or the date that the Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of CDOT funds, other than Preliminary Expenditures, for the Project); and

WHEREAS, the Commission hereby desires to declare the official intent of CDOT, pursuant to 26 C.F.R. § 1.150-2, to reimburse itself for the expenditure of CDOT funds for the Project from the proceeds of a future lease purchase financing of CDOT;

NOW, THEREFORE, BE IT RESOLVED BY THE COLORADO STATE TRANSPORTATION COMMISSION:

Section 1. Dates of Capital Expenditures. All of the capital expenditures covered by this Resolution were or will be made not earlier than 60 days prior to the date of this Resolution. For the avoidance of doubt, the expenditures referenced in the preceding sentence do not include the Preliminary Expenditures, certain of which were made before 60 days prior to the date of this Resolution.

Section 2. Declaration of Official Intent. CDOT presently intends and reasonably expects to participate in a lease purchase financing within 18 months of either the date of the first expenditure of funds by CDOT for the Project (other than Preliminary Expenditures) or the date that the Project is placed in service, whichever is later (but in no event more than three years after the date of the original expenditure of CDOT funds, other than Preliminary Expenditures, for the Project), and to allocate an amount approximately equal to the Reimbursement Amount of the proceeds thereof to reimburse CDOT for its expenditures in connection with the Project.

Section 3. Authorization for CDOT to Participate in Lease Purchase Financing. The Commission hereby authorizes CDOT, pursuant to 26 C.F.R. § 1.150-2 and consistent with this Resolution, to reimburse itself for the expenditure of CDOT funds on the Project, in an amount not to exceed \$83,400,000, from the proceeds of a future lease purchase financing of CDOT.

Section 4. Confirmation of Prior Acts. All prior actions of the officials and agents of CDOT that are in conformity with the purpose and intent of this Resolution and in furtherance of the Project shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its passage.

Herman F. Stockinger

Herman Stockinger, Secretary
Transportation Commission of Colorado

8-18-16

Date of Approval

